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November 20, 2003

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VIA ELECTRONIC MAIL

Mr. Phil Enis
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: CLEC Input To Batch Hot Cut Collaborative Status Report

Dear Mr. Enis:

These are CalTel's comments on the Batch Cut Workshop held on Monday, November 17, 2003.

The purpose for the Workshop, as established by ALJ Pulsifer, was to discuss the November 7, 2003, Batch Cut filings of SBC and Verizon, determine where specific areas of agreement could be identified, and thus narrow the scope of issues which might require further proceedings if the Commission is to find that either ILEC has developed a Batch Cut process that satisfies the requirements of the FCC's Triennial Review Order. As all parties would agree, this is not a subject matter where general concepts or ideas suffice; hundreds of specific, technical operating procedures, automated and manual systems, and pricing structures must function together in a complex, integrated system to sufficiently remove economic and operational impairment for CLECs. Thus, in order to evaluate this system, detailed factual, operational, and technical information about the proposed process is absolutely critical. Otherwise, no evaluation can be made and no areas of agreement or disagreement even identified.

SBC

The fundamental problem is that SBC decided simply not to follow the procedural schedule established by the ALJ. Instead, SBC unilaterally decided to establish a different schedule, pursuant to which SBC states that it currently plans to provide some sort of proposal for a Batch Cut process in the later part of January 2004. SBC's November 7 skeleton filing was at least straightforward in announcing this plan, but no waiver was sought from the ALJ or any party for this approach. Furthermore,

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with a few minor exceptions, no information was provided by SBC at the Workshop that was not already included in SBC's November 7 filing.

As a result of SBC's approach (irrespective of its rationale) there really was no meaningful Workshop concerning any SBC Batch Cut proposal, since there was no meaningful detailed SBC proposal. Therefore, no detailed areas of agreement or disagreement could be specified which might limit further proceedings. Under these circumstances, it would be appropriate for the ALJ to request Motions for Summary Judgment, or similar filings, designed to reach a determination as to whether SBC has made a sufficient showing concerning its Batch Cut process to justify the continued resources of the Commission and other parties being expended on the question. SBC should not be forever foreclosed from such a showing, but the issue should be removed from this time-constrained proceeding so as to simplify and focus any remaining issues. The ALJ should also request that any Motions for Summary Judgment address the impact of SBC's failure to make a showing regarding its Batch Cut Process on the need for further proceedings with respect to Mass Market Switching, in light of the fundamental interrelationship of these issues. The amount of Commission and party resources which have been and will continue to be allocated to this proceeding cannot be justified if the principal beneficiary of the process, the party with the burden, fails to present threshold evidence as directed by the ALJ.

In any event, SBC cannot be rewarded for this tactic. No party, including the small carriers among CalTel's members, should be required to expend additional resources as a result of SBC's decision. Thus no additional hearing days, no additional rounds of pleadings, and no additional workshops should be permitted in order to accommodate SBC. The ALJ should instead direct parties that are preparing testimony concerning Mass Market Switching that they are entitled to rely upon the record established by SBC's November 7 testimony as the basis for their positions concerning economic and operational impairment in SBC's service territories.

Verizon

In stark contrast to SBC, Verizon filed more detailed and extensive testimony as envisioned by the ALJ. CalTel does not request that Motions for Summary judgment be permitted with respect to Verizon.

However, numerous open questions concerning the Verizon proposal remain, based upon CalTel member experiences with Verizon's existing hot cut system. For example, Verizon claims without sufficient support that its proposed processes are scalable, but this is not true with respect to its existing system. For example, CalTel is aware of at least one situation where one Verizon technician is responsible for two

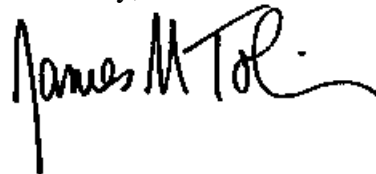
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central offices, so cuts in both cannot be accomplished on the same day in any scale. CalTel is aware that Verizon's current auto-disconnect system does not always match with the actual cuts accomplished on a given day, so customer service may be cut off even if the cut to the CLEC was not done. In addition, it is clear that Verizon's current "Scheduler" does not produce a true "first in, first out" scheduling of due dates, and Verizon retail customers appear to receive preferential treatment. Finally, the pricing for Verizon's proposed plan is not known in sufficient detail to permit evaluation of its role in impairment.

Verizon requested during the Workshop that it be put on a "separate track" from SBC in light of the differences in their tactics. CalTel opposes this request if it means duplicative sets of pleadings, hearings, etc. for both SBC and Verizon. However, in the event any Motions for Summary Judgment are granted with respect to SBC, Verizon should proceed in the process originally envisioned by the ALJ.

Sincerely,

A handwritten signature in black ink, appearing to read "James M. Tobin". The signature is fluid and cursive, with a long horizontal stroke at the end.

James M. Tobin